

**EXHIBIT 1**

**ARTICLES OF INCORPORATION  
AND CERTIFICATE TO TRANSACT BUSINESS**

COPY

File Number 6098-117-5

**State of Illinois**  
**Office of**  
**The Secretary of State**

**Whereas,** APPLICATION FOR CERTIFICATE OF AUTHORITY TO TRANSACT  
BUSINESS IN THIS STATE OF  
URBAN MEDIA OF ILLINOIS, INC.  
INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE HAS BEEN FILED  
IN THE OFFICE OF THE SECRETARY OF STATE AS PROVIDED BY THE BUSINESS  
CORPORATION ACT OF ILLINOIS, IN FORCE JULY 1, A.D. 1984.

Now Therefore, I, Jesse White, Secretary of State of the State of  
Illinois, by virtue of the powers vested in me by law, do hereby issue  
this certificate and attach hereto a copy of the Application of the  
aforesaid corporation.

In Testimony Whereof, I hereto set my hand and cause to be  
affixed the Great Seal of the State of Illinois,  
at the City of Springfield, this 12TH  
day of APRIL A.D. 2000 and of  
the Independence of the United States the two  
hundred and 24TH



*Jesse White*

Secretary of State

C-2123

Received Time Apr. 14. 2:40PM

Form **BCA-13.15**  
(Rev. Jan. 1999)APPLICATION FOR CERTIFICATE  
OF AUTHORITY TO  
TRANSACTION BUSINESS IN ILLINOIS

SUBMIT IN DUPLICATE

Jesse White, Secretary of State  
Department of Business Services  
Springfield, IL 62758  
Telephone (217) 782-1834  
<http://www.sos.state.il.us>

This space for use by Secretary of State

**FILED**

APR 12 2000

JESSE WHITE  
SECRETARY OF STATEThis space for use by  
Secretary of StateDate 4/12/00

License Fee \$

Franchise Tax \$

Filing Fee \$

Penalties \$

Approved 

\$ 100.00

Payment must be made by  
certified check, cashier's check,  
Illinois attorney's check, Illinois  
C.P.A.'s check or money order,  
payable to "Secretary of State."(1) (a) CORPORATE NAME: Urban Media of Illinois, Inc.

(Complete item 1 (b) only if the corporate name is not available in this state.)

(b) ASSUMED CORPORATE NAME:

(By electing this assumed name, the corporation hereby agrees NOT to use its corporate name in the transaction of business in Illinois. Form BCA 4.15 is attached.)

2. (a) State or Country of Incorporation: Delaware(b) Date of Incorporation: March 21, 2000(c) Period of Duration: Perpetual

3. (a) Address of the principal office, wherever located:

101 University Ave., Ste. 400Palo Alto, CA 94301

(b) Address of principal office in Illinois:

(If none, so state)  
None.

4. Name and address of the registered agent and registered office in Illinois.

Registered Agent Illinois Corporation Service Company

First Name

Middle Name

Last Name

Registered Office 700 South 2nd Street

Number

Street

Suite #

Springfield62704Sangamon

City

ZIP Code

County

5. States and countries in which it is admitted or qualified to transact business: (Include state of incorporation)  
Delaware

6. Names and residential addresses of officers and directors:

Name	No. & Street	City	State	ZIP
President	<u>See attached rider</u>			
Secretary				
Director				
Director				
Director				

If more than 3, attach list

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7. Purpose or purposes proposed to be pursued in transacting business in this state:  
 (If not sufficient space to cover this point, add one or more sheets of this size.)  
 To provide telecommunication services in Illinois.

## 8. Authorized and issued shares:

Class	Series	Par Value	Number of Shares Authorized	Number of Shares Issued
Common	Stock	\$0.01	100	100

## 9. Paid-in Capital: \$ 1.00

("Paid-in Capital" replaces the terms Stated Capital & Paid-in Surplus and is equal to the total of these accounts.)

10. (a) Give an estimate of the total value of all the property\* of the corporation for the following year: \$ 53,000,000
- (b) Give an estimate of the total value of all the property\* of the corporation for the following year that will be located in Illinois: \$ 53,000,000
- (c) State the estimated total business of the corporation to be transacted by it everywhere for the following year: \$ 52,000,000
- (d) State the estimated annual business of the corporation to be transacted by it at or from places of business in the State of Illinois: \$ 52,000,000

## 11. Interrogatories: (Important -- this section must be completed.)

- \*\* (a) Office or offices to which all contracts with the corporation are forwarded for final acceptance: principal office
- (b) Number of shares of all classes owned by residents of Illinois: 0
- (c) Number of shares of all classes owned by non-residents of Illinois: 100
- (d) Is the corporation transacting business in this state at this time? no
- (e) If the answer to item 11(d) is yes, state the exact date on which it commenced to transact business in Illinois:

## 12. This application is accompanied by a certified copy of the articles of incorporation, as amended, duly authenticated, within the last ninety (90) days, by the proper officer of the state or country wherein the corporation is incorporated.

13. The undersigned corporation has caused this statement to be signed by its duly authorized officers, each of whom affirms, under penalties of perjury, that the facts stated herein are true. (All signatures must be in **BLACK INK**.)

Dated April 4

2000

Urban Media of Illinois, Inc.

attested by

*Michael Morris*  
 (Signature of Secretary or Assistant Secretary)

Michael Morris, Secretary  
 (Type or Print Name and Title)

*Michael Morris*  
 (Signature of President or Vice President)

by Michael Morris, VP  
 (Type or Print Name and Title)

- \* PROPERTY as used in this application shall apply to all property of the corporation, real, personal, tangible, intangible, or mixed without qualifications.

- \*\* When the response to #11(a) lists ONLY an Illinois address, then the total business as reflected in #10(c) is also considered to be Illinois business for the purpose of computing the Illinois allocation factor. By signing this application, the corporation affirms that it is aware that the amount of paid-in capital, and consequently the amount of license fees and franchise taxes, may be proportionately higher due to the Illinois address shown under #11(a).

C-171.11

Received Time Apr. 14. 2:40PM

Officers/Directors RiderNameTitleAddress

✓ Sean Doherty

President and Sole Director

101 University Ave., Suite 400  
Palo Alto, CA 94301

✓ Michael Morris

Vice President and Secretary

101 University Ave., Suite 400  
Palo Alto, CA 94301

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## State of Delaware

PAGE 1

## Office of the Secretary of State

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF INCORPORATION OF "URBAN MEDIA OF ILLINOIS, INC.", FILED IN THIS OFFICE ON THE TWENTY-FIRST DAY OF MARCH, A.D. 2000, AT 9 O'CLOCK A.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.



3198398 8100

001144158

*Edward J. Freel*  
 Edward J. Freel, Secretary of State

0331070

AUTHENTICATION:

03-22-00

DATE:

CORP SERVICE CO

MAR. 23. 2000 10:24AM

NO. 2422 P. 17/76

STATE OF DELAWARE  
SECRETARY OF STATE  
DIVISION OF CORPORATIONS  
FILED 09:00 AM 03/21/2000  
001144158 - 3198398

## CERTIFICATE OF INCORPORATION

OF

URBAN MEDIA OF ILLINOIS, INC.

a Delaware corporation

### ARTICLE I

The name of this corporation is Urban Media of Illinois, Inc.

### ARTICLE II

The address of the registered office of the corporation in the State of Delaware is 1013 Centre Road, City of Wilmington 19805, County of New Castle; and the name of the registered agent of the corporation in the State of Delaware at such address is Corporation Service Company.

### ARTICLE III

The nature of the business or purposes to be conducted or promoted by the corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.

### ARTICLE IV

This corporation is authorized to issue one class of stock to be designated Common Stock. The total number of shares of Common Stock authorized to be issued is One hundred (100) shares with a par value of \$.01 per share.

### ARTICLE V

The name and mailing address of the incorporator is as follows:

Laura E. Karassik  
c/o Wilson Sonsini Goodrich & Rosati  
Professional Corporation  
650 Page Mill Road  
Palo Alto, California 94304-1050

### ARTICLE VI

The Board of Directors of the corporation is expressly authorized to adopt, amend or repeal the by-laws of the corporation, but the stockholders may make additional by-laws and may alter or repeal any by-law whether adopted by them or otherwise.

**ARTICLE VII**

Elections of directors need not be by written ballot unless a stockholder demands election by written ballot at the meeting and before voting begins or unless the Bylaws of the Corporation shall so provide.

**ARTICLE VIII**

A director of the corporation shall not be liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except to the extent such exemption from liability or limitation thereof is not permitted under the Delaware General Corporation Law as the same exists or may hereafter be amended. Any repeal or modification of this Article Eight shall not adversely affect any right or protection of a director of the corporation existing hereunder with respect to any act or omission occurring prior to such repeal or modification.

**THE UNDERSIGNED**, being the incorporator hereinbefore named, for the purposes of forming a corporation pursuant to corporation law of the State of Delaware, does make this certificate, hereby declaring and certifying, under penalties of perjury, that this is my act and deed and the facts herein stated are true, and accordingly, has hereunto set her hand this 21<sup>st</sup> day of March, 2000.

Urban Media of Illinois, Inc.  
a Delaware corporation

By: Laura E. Karassik  
Laura E. Karassik,  
Incorporator



## **EXHIBIT 2**

### **TECHNICAL AND MANAGERIAL QUALIFICATIONS**

Brief biographies of Urban Media's Executive Management Team are as follows:

- **Sean Doherty, Chief Executive Officer**

Sean Doherty is one of the co-founders of Urban Media and serves as the Company's Chief Executive Officer. From 1995-1997, he was a co-founder of the @Home Network, serving as @Home's Chief Operating Officer and later as the President of @Home's business-to-business services division, @Work. Prior to that, Mr. Doherty was the founder and CEO of TEAM Software, a developer of workgroup applications for the Internet and corporate networks. Mr. Doherty also served as Chief Financial Officer and subsequently as President of TradeNet, Inc., an online transaction network for commodity traders. Mr. Doherty holds a degree in Music Theory and Composition from the University of Maryland and the Salzburg Music Academy (Austria).

- **Paul Mockapetris, Chief Technology Officer**

Paul Mockapetris is co-founder and Chief Technology Officer at Urban Media. Mr. Mockapetris is a 25-year veteran of the information technology industry and is the creator of the Domain Name System (DNS) and the first to implement the SMTP mail protocol. Prior to Urban Media, Mr. Mockapetris was a co-founder of @Home, where he directed the development and implementation of one of the world's first broadband Internet backbone networks. An Internet pioneer, Mr. Mockapetris worked on the DCS Project (a high-speed LAN) and then on the ARPANET where he served as Program Manager for Networking. Mr. Mockapetris holds degrees in Physics and Electrical Engineering from MIT and a PhD in Information and Computer Science from the University of California, Irvine. In addition to his roles at Urban Media and @Home, Mr. Mockapetris has served as IETF Chair, CTO for Software.com and Director of the HPCC Division at USC/Information Sciences Institute.

- **Atam Lalchandani, Chief Financial Officer**

Atam Lalchandani, a co-founder of Urban Media, serves as the company's Chief Financial Officer. Mr. Lalchandani brings more than 20 years of information technology experience to Urban Media. Since 1992, Mr. Lalchandani has been a financial and strategic consultant for various companies in the San Francisco Bay Area, including @Home, Calico Technology, Cerent, Equinix, Fiberlane Communications, Juniper Networks and SoftNet Systems. Other roles for Mr. Lalchandani have included Chief Financial Officer of Oracle's domestic operations and Chief Executive Officer for Objectivity, a venture-backed database software company.

- **Mark Davis, Vice President of Engineering**

Mark Davis has sixteen years of telecommunications network design experience. Mr. Davis is Vice President of Engineering and is responsible for planning and implementing Urban Media's nationwide telephony operations. Prior to joining Urban Media, Mr. Davis was Vice President of Engineering - Telephony Technology for Cox Communications Inc. where he played a key role in the successful launch of both commercial and residential telecommunications services in major cities across the U.S. Mr. Davis developed, implemented and managed switching, transport and access requirements for Cox's competitive local exchange operations in nine cities. Mr. Davis's accomplishments in the cable industry include transforming a traditional coax cable network into a highly reliable full-service network by promoting a route-diverse fiber-ring architecture. He holds a Bachelor of Science in Technology from Georgia Southern University and is a member of IEEE and the Society of Cable Telecommunications Engineers.

- **Michael Morris, Vice President of Regulatory and External Affairs**

Michael Morris serves as Urban Media's Vice President for Regulatory and External Affairs. He is responsible for developing, communicating and implementing Urban Media's public policy positions at local, state and federal government levels. He is also in charge of seeking regulatory approval for Urban Media to provide telecommunications services in numerous markets nationwide, as well as negotiating and interconnection relationships with other carriers. Mr. Morris is a former executive with AT&T and with Teleport Communications Group, one of the first major competitive local exchange carriers. He has more than 20 years experience in telecommunications policy issues, including experience with Continental Cablevision (now Media One) and the California Cable Television Association.

- **Roy Frederickson, Vice President of Operation Support Systems**

Roy Frederickson is responsible for the planning and implementation of Urban Media's operation support systems, including those for billing, ordering, provisioning. Mr. Frederickson also has responsibility for the internal communication systems that will enable Urban Media to function as a well-integrated company when responding to customer needs. Mr. Frederickson has 18 years of experience in both the telecommunications and e-commerce industries. Prior to joining Urban Media, Mr. Frederickson served as Vice President – Customer Care & Billing Business Unit for LHS where he led the end-to-end delivery of LHS' B2B and B2Me customer relationship management and billing products for wireless broadband. Mr. Frederickson also spent three years as Director and CIO - Information Services for US West Media Group Intl / MediaOne (Malaysia). Mr. Frederickson brings extraordinary expertise in information systems, especially those used for billing and customer care. He holds an MBA in Finance from Fairleigh Dickinson University in Madison N.J and a BSBA in Business Administration from Clarion University in Pennsylvania.

- **Brian Bursch, Director for Business Development**

Brian Bursch is responsible for coordinating Urban Media's strategic technology partnerships and alliances. Mr. Bursch has over nineteen years of experience in the telecommunications industry. Prior to joining Urban Media, Mr. Bursch was the Director of Business Development for MCI WorldCom in the Shared Tenant Services Division. Mr. Bursch holds a BS in Business from the University of Richmond, and an MS in Information Systems Management from Seattle Pacific University.

- **Rod McGinn, Director of Engineering, Network Switching Systems**

Rod McGinn is responsible for the construction of Urban Media's next-generation network and engineering new communications solutions for business customers. Prior to joining Urban Media, Mr. McGinn served as Director of Engineering, Network Switching Systems at Cox Communications. While at Cox Communications, Mr. McGinn was responsible for the development, design and deployment of Cox's Digital Switch Network. Mr. McGinn was also instrumental in the creation of Cox's Signaling System 7 and Local Number Portability Network, along with establishing network interconnections between switch networks with other carriers, RBOCs, CLECs and independents. Mr. McGinn holds a Bachelor of Science in Electrical Engineering from the University of Kansas.

**EXHIBIT 3**

**CONFIDENTIAL FINANCIAL STATEMENTS**

## **EXHIBIT 4**

### **BILLING AND COLLECTION POLICY**

## **BILLING AND COLLECTION OF CHARGES**

- A. The Company shall render a bill during each billing period to every Customer. All customer bills shall be sent via United States Mail in an envelope and shall include a return envelope for payment of the bill, unless the technical capability exists and the Customer elects to pay the bill electronically. The billing period shall be monthly.
- B. Non-recurring charges are due and payable from the Customer within 30 days after the invoice date, unless otherwise agreed to in advance.
- C. The Company shall present invoices for Recurring Charges monthly to the Customer, in advance of the month in which service is provided, and the Recurring Charges shall be due and payable within 30 days after the invoice date. When billing is based on customer usage, charges will be billed monthly for the preceding billing period.
- D. When service does not begin on the first day of the month, or end on the last day of the month, the charge for the fraction of the month in which service was furnished will be calculated on a pro rata basis. For this purpose, every month is considered to have 30 days.
- E. The Customer will be assessed a charge of twenty-five dollars (\$25.00) for each check submitted to the Company that a financial institution refused to honor.
- F. Customers have up to two (2) years (commencing five days after remittance of the bill) to initiate a dispute over the charges or to receive credits.
- G. If service is disconnected by the Company for non-payment of charges due and owing and later restored, restoration of service will be subject to all applicable restoration and installation charges.
- H. The date of rendition of the Company's bill for basic local exchange service shall be the date of physical mailing of the bill by the Company. If the last calendar day for remittance falls upon a Sunday, legal holiday, or any other day when the offices of the provider regularly used for the receipt of payment of customer bills are not open to the general public, then the final payment date shall be extended through the next business day. The date of payment of remittance by mail is two days before receipt of the remittance.
- I. Unless otherwise specified by the Customer, if partial payment of a bill is made, then the Company shall first credit the partial payment to basic local exchange service and regulated toll service.
- J. In the event that a customer's basic (e.g., business, Private Branch Exchange (PBX), centrex) service is interrupted and remains out of service for more than twelve (12)

hours after being reported to or found to be out of service by the Company, appropriate adjustments shall be made to the Customer's account upon request with a minimum credit for 24 hours. The adjustment shall be the pro rata part of the month's charge for local exchange service for the period of days service was inoperative and shall be accomplished by a credit on a subsequent bill for telephone service. A check shall be issued if the final bill shows no amount owed. This provision shall not apply when the service interruption is caused by: 1) the negligence or willful act of the Customer, 2) Customer-provided facilities, or 3) electric power failure where the Customer furnishes such electric power.

- K. On third number calls, the Operator may attempt to verify the authority to bill to the third number by calling the third number to get permission to bill the call to that number. Any third number calls that are billed to but denied by the billed party shall be removed from the bill unless these calls were verified in accordance with this paragraph.
- L. Bills for service supplied by the Company must be rendered within one (1) year of the date such service was supplied. No customer shall be liable for any amount of unbilled service after one (1) year. The Company is not restricted to the above one (1) year limitation on unbilled service if the Company has reason to believe that the Customer used a device or scheme to obtain service without payment and where the Company has so notified the Customer prior to disconnection. When delinquency occurs following the issuance of a bill for previously unbilled service, except where Customer has avoided payment as described in this paragraph, the Company shall review the bill with the Customer, and shall offer to accept payments toward the liquidation of the amount of unbilled service over a period mutually agreed to by the Company and Customer. This period of time shall be at least as long as the period over which the unbilled or underbilled service was provided.
- M. Refunds
  - 1. In the event that a customer pays a bill as submitted by the Company and the billing is later found to be incorrect due to an error either in charging more than the published rate, in measuring the quantity or volume of service provided, or in charging for the incorrect class of service, the Company shall refund the overcharge with interest from the date of overpayment by the Customer.
  - 2. The rate of interest shall be the rate as established by the ICC to be paid on deposits in 83 Illinois Administrative Code Part 735.120(h)(1).
  - 3. The refund shall be accomplished by a credit on a subsequent bill for telephone service, or by check if the account is final, or if so requested by the Customer.
- N. Special Toll Bills
  - 1. If the Customer accumulates unusually high charges for toll calls in a short period of time, and that Customer's credit record indicates that satisfactory payment may not be made on this amount, the Company may issue a special toll bill. Such



special toll bills shall be due ten (10) days from the issuing date of the bill, seven (7) days if delivered by hand.

2. For the purpose of this subsection (N), an unusually high toll bill shall be considered to be an amount in excess of 175 percent of the average of the past three months' toll bills or an average toll bill for that class of service if three months' actual data is not available.
- O. If the Company offers electronic billing, a Customer may elect to have the bill sent electronically. Such bills shall be transmitted with instructions for payment. Information sent electronically shall be deemed to satisfy any requirement in this Part that such information be printed or written on a Customer bill.

## **EXHIBIT 5**

### **COMPLAINT PROCEDURE**

### **Informal Complaints at the Company Level**

Informal complaints will be handled by the Company's service department, which will use good faith efforts to address the complaint or informally resolve the dispute, using the procedures described below. If the Company and the Customer are unable to informally resolve the dispute, the Customer may file an informal or formal complaint with the Illinois Commerce Commission in accordance with 83 Illinois Administrative Code Part 735.200.

- a) The Company shall assign one or more of its personnel in each of its offices where it transacts business with the public the duty of hearing, in person, any dispute by an applicant, customer or user. Such personnel shall consider the complainant's allegations and shall explain the complainant's account and the Company's assertions in connection therewith. Such personnel shall be authorized to act on behalf of the Company in resolving the complaint and shall be available during all business hours for the duty hereinabove described.
- b) If the Company does not maintain an office where it transacts business in the community/exchange where the complainant resides and/or receives service, the Company shall upon request meet with the customer at a mutually acceptable location in the community lacking such business office. The Company shall notify the customer of its willingness to meet in the customer's exchange to resolve the dispute.
- c) The Company shall direct its personnel engaged in personal contact with the applicant, customer, or user seeking dispute resolution under the provisions of this Part to inform the Customer of their right to have the problem considered and acted upon by supervisory personnel of the company where any dispute cannot be resolved. The Company shall further direct such supervisory personnel to inform such applicant, complainant, or user who expresses nonacceptance of the decision of such supervisory personnel of their right to have the problem reviewed by the Commission and shall furnish them with the telephone number and address of the Consumer Affairs Division of the Illinois Commerce Commission.

1) When a customer disputes a particular bill, the Company shall not discontinue service for nonpayment so long as the customer:

A) pays the undisputed portion of the bill; and

B) pays all future periodic bills by the due date; and

C) enters into discussions with the Company to settle the dispute with dispatch.

2) No late payment charge shall be charged on any disputed bill paid within fourteen (14) days of resolution of the dispute if the complaint was filed before the bill became past due.

## **EXHIBIT 6**

### **DESCRIPTION OF SERVICES**

## **SERVICE OFFERINGS**

This exhibit contains a general description of the services to be offered by Urban Media. Urban Media will provide state-of-the-art switched telecommunications services, including voice and advanced data services. These services will be provided primarily through Urban Media's own facilities but may be supplemented with resale of other carrier's services in areas where Urban Media does not have its own facilities.

### **1. Basic Local Exchange Service**

Basic Local Exchange Service provides a Customer with a connection to the Company's switching network which enables the Customer to:

- a) receive calls from other stations on the public switched network;
- b) access the Company's Local Calling Services and other Services as set forth in the price list;
- c) access interexchange calling services of the Company and of other carriers;
- d) access (at no additional charge) the Company's operators and business office for service related assistance; access to toll-free telecommunications services such as 800 NPA; and access 9-1-1 service for emergency calling;
- e) access relay services for the hearing impaired.

Basic local exchange service can be used to originate calls to other telephone companies' caller paid information services (e.g., NPA 900, NXX 976, etc.). Calls to those numbers and other numbers used for caller-paid information services will be blocked by the Company's switch at no charge upon customer request. Each Basic Local Exchange Service corresponds to one or more telephonic communications channels that can be used to place one or receive one call at a time.

Individual business service is comprised of exchange access lines defined as follows:

Exchange Access Line – The service central office equipment and all the Company plant facilities up to the demarcation point. These facilities are Company-provided and maintained and provide access to and from the telecommunications network for message toll service and for local calling appropriate to the tariffed use offering selected by customer.

Urban Media's exchange areas, rate groups, and local calling areas are identical to those defined in price lists and tariffs of the incumbent local exchange company serving each exchange area.

### **2. Business Local Exchange Service**

With Business Local Exchange Service, the Business Customer pays a monthly rate per access line, plus usage charges for all calls within the Local Calling Area. Usage charges are billed on a per call basis, regardless of distance, duration, or time of day.

### 3. Toll Services

Message Toll Services enables users of Urban Media-provided basic local exchange service to place calls to any station on the public switched telecommunications network bearing an NPA-NXX designation associated with points outside the customer's Local Calling Area, but within the State of Illinois.

#### A. Toll Service Rate Determination

##### 1. Charges Based on Duration of Use

Where charges for a service are specified based on the duration of use, such as the duration of a telephone call, the following rules apply:

- (A) Calls are measured in durational increments identified for each service. All calls that are fractions of a measurement increment are rounded up to the next whole unit.
- (B) Timing on completed calls begins when the call is answered by the called party. Answering is determined by hardware answer supervision in all cases where this signaling is provided by the terminating local carrier and any intermediate carrier(s). Timing for operator service person-to-person calls start with completion of the connection to the person called or an acceptable substitute, or to the PBX station called.
- (C) Timing terminates on all calls when the calling party hangs up or the Company's network receives an off-hook signal from terminating the carrier.
- (D) Calls originating in one time period and terminating in another will be billed in proportion to the rates in effect during different segments of the call.
- (E) All times refer to local time.

## 2. Applicable Rate Periods

Unless otherwise specified, applicable rate periods are indicated in the chart below:

	MON	TUES	WED	THUR	FRI	SAT	SUN
8:00am TO 5:00pm*	Day Rate Applies	Day Rate Applies	Day Rate Applies	Day Rate Applies	Day Rate Applies	N/W Rate Applies	N/W Rate Applies
5:00pm TO 11:00pm*	Eve. Rate Applies	Eve. Rate Applies	Eve. Rate Applies	Eve. Rate Applies	Eve. Rate Applies	N/W Rate Applies	N/W Rate Applies
11:00pm to 8:00am*	N/W Rate Applies	N/W Rate Applies	N/W Rate Applies	N/W Rate Applies	N/W Rate Applies	N/W Rate Applies	N/W Rate Applies

DAYTIME RATE PERIOD

8:00 AM TO 5:00 PM\*

EVENING RATE PERIOD

5:00 PM TO 11:00 PM\*

NIGHT/WEEKEND RATE PERIOD

11:00 PM TO 8:00 AM\*

\* Up to but not including.

## 3. Rates Based Upon Distance

Where charges for a service are specified based upon distance, the following rules apply:

Distance between two points is measured as airline distance between Rate Centers of the originating and terminating telephone lines. The Rate Center is a set of geographic coordinates, as referenced in National Exchange Carrier Association, Inc. Tariff FCC No. 4, associated with each NPA-NXX combination (where NPA is the area code and NXX is the prefix). Where there is no telephone number associated with the access line on the Company's network (such as dedicated 800 or WATS access line), the Company will apply the Rate Center of the customer's main billing telephone number.

## 4. Calculation of Distance

Usage charges are based on the airline distance between the serving wire centers associated with the originating and terminating points of the call. The serving wire centers of a call are determined by the area code and exchange numbers. All calls are billed from the customer's serving wire center to the terminating point serving wire center.

The airline distance between any two-rate centers is determined as follows:

Step 1: Obtain the "V" (vertical) and "H" (horizontal) coordinates for each Rate Center as defined by NECA Tariff FCC No. 4.



Step 2: Compute the difference between the "V" coordinates of the two rate centers; and the difference between the two "H" coordinates.

Step 3: Square each difference obtained in step (b) above.

Step 4: Add the square of the "V" difference and the square of the "H" difference obtained in step C) above.

Step 5: Divide the sum of the squares by 10. Round to the next higher whole number if any fraction is obtained.

Step 6: Obtain the square root of the whole number result obtained above. Round to the next higher whole number if any fraction is obtained. This is the airline mileage.

The formula for distance calculations is:

$$\sqrt{\frac{[(V1 - V2)^2 + (H1 - H2)^2]}{10}}$$

#### **B. Toll Service Rates**

Rate tables will be determined after certification and interconnection arrangements are made.

#### **4. Directory Assistance Service**

The Company furnishes Directory Assistance Service ("DA") for the purpose of aiding subscribers in obtaining telephone numbers through arrangements with the incumbent local exchange carrier when a party in Illinois requests assistance in obtaining telephone numbers of subscribers who are located within the same numbering plan area as the number the party is calling from.

In order to make allowance for a reasonable need for numbering plan area DA service, including numbers not in the directory, directory inaccessibility and other conditions, no charge applies for the first three calls for telephone numbers of subscribers who are located within the same numbering plan area of the calling party per month per station access line. The allowance is cumulative for all group billed services furnished on the same premises or as part of the same system within an exchange.

Charges for DA are not applicable to inquiries received from public and semipublic telephones, nor from telephone service furnished for the use of handicapped persons.

#### **5. Emergency Services**

Allows customers to reach appropriate emergency services including police, fire and medical

services. The 911 Service includes lines and central office features necessary to provide the capability to answer, transfer and dispatch public emergency telephone calls originated by persons within the telephone central office areas arranged for 911 calling. If 911 Service is not available in an area, Urban Media shall notify customers that it is the customer's responsibility to call the appropriate agencies through 7-digit or 11-digit dialing.

#### **6. Telecommunications Relay Service**

Telecommunications Relay Service enables deaf, hard-of-hearing or speech-impaired persons who use a test telephone or similar devices to communicate freely with the hearing population for using the text telephone and vice versa. Urban Media does not impose any charge to end users for access to Telecommunications Relay Services. However, persons using this Service are liable for applicable per call/increment charges.

#### **7. Promotional Offerings**

Urban Media, from time to time, may make promotional offerings of its services which may include waiving or reducing the applicable charges for promoted service. The promotional offerings will not exceed 90 days, but may be limited as to the date and times of the offerings and the locations where the offerings are made.

#### **8. Telephone Directory**

For customers that subscribe to Urban Media's Basic Local Exchange Service, Urban Media will provide each customer annually at no charge one copy of a printed directory listing all telephone service subscribers, except for unlisted and unpublished numbers, within the customer's local exchange area. Urban Media may, at its option, either publish its own directory or provide a copy of one published by the dominant exchange provider.

#### **9. Call Blocking Service**

Call Blocking Service is an optional service which provides customers with the capability to block originating calls to the 1-900 calling networks or 976 services. With Call Blocking Service, all originating calls to 900 numbers nationwide will be blocked. Calls to a 976 service will also be blocked. Customers subscribing to Call Blocking Service attempting to dial a 900 number from a restricted line will reach an Urban Media provided or DUC-provided intercept announcement. Call Blocking Service is provided at no charge.

#### **10. Basic Centrex Service**

Centrex service provides an arrangement of switching equipment and station lines for intercommunicating among the station lines and for connection through the local and long distance message network to other Customers on a dial basis. Each system must consist of a minimum of two (2) main station lines. Centrex service is furnished from DMS-500 central

office equipment located on Company premises and associated facilities arranged to provide the following basic service capabilities/features:

- A. Exchange and long distance message network calls may be made to main stations by dialing the number associated with that main station line or attendant position.
- B. Exchange and long distance message network calls may be made from main stations via direct outward dialing.
- C. Station-to-station intercommunication via two to seven-digit dialing between stations of the Customer's system.
- D. Outgoing long distance message calls dialed by a main station will be identified by the seven-digit station number. Only calls billed to the Customer by the Company will be provided this identification.
- E. Basic station line hunting.
- F. Touch-tone service.
- G. Common recorded announcement interception of calls to unassigned station numbers.

#### **11. DS-1 Service**

DS-1 service is a dedicated, high capacity, full duplex channel with line speeds of 1.544 Mbps. DS-1 Service has the equivalent capacity of 24 Voice Grade services or 24 DS-0 services. DS-1 service is provided on a two point basis between the following locations:

- A. Customer-designated premises;
- B. A Customer-designated premises and a Company-designated central office;
- C. Company-designated central offices.

Central Office (CO) Multiplexing may be provided from suitably equipped multiplexing hubs. The Customer is responsible for the assignment of individual channels within the multiplexer and for maintaining records of those assignments.

- A. The 1.544 Mbps channel is provided with a local distribution channel(s) and an interoffice channel, local distribution channels only, or, an interoffice channel between two CO's.
- B. The CO multiplexing capability is provided by a CO multiplexer at designated multiplexing hubs that converts a 1.544 Mbps channel to 24 channels for use with voice grade services and/or analog data services or to 24 channels for use with digital services.

#### **12. Integrated Services Digital Network – Basic Rate Interface**

Basic Rate ISDN (ISDN-BRI) service supports simultaneous transmission of voice, data, and packet services on the same exchange (digital) access line. Calling/Called Number Delivery and Call Hold are included with this service.

Basic Rate ISDN provides access to the network through Basic Rate Access which consists of two 64 Kbps B channels and one 16 Kbps D channel at the service delivery point.

Each Customer is entitled to one directory number. The minimum service period is one month. Termination charges apply for service terminated prior to fulfilling the one month period. The Customer is responsible for supplying equipment compatible with the ISDN interface.

### **13. Integrated Services Digital Network – Primary Rate Interface**

ISDN Primary Rate Interface (ISDN-PRI) provides integrated digital channels for voice, data and video applications. ISDN-PRI is a T1 link to the telecommunications network. The basic channel structure is twenty-three 64 Kbps B channels and one 64 Kbps D channel. The B channels may be used to connect the PBX or ISDN compatible CPE to the public circuit switched network. The D channel carries the signaling and call set-up information for the B channels. ISDN-PRI is a service for the transmission of digital signals only. ISDN-PRI is provided within a LATA from wire centers where appropriate ISDN facilities are available, as determined by the Company.

### **14. Urban Media Long Distance Services**

Urban Media Long Distance Service is offered for both interLATA and interLATA calling. Service is available for use by Customers twenty-four (24) hours a day. Urban Media Long Distance Service enables a User of an exchange access line to place calls to any station on the public switched telecommunications network bearing an NPA-NXX designation associated with points outside the Customer's Local Calling Area or internationally. Customers must arrange for IntraLATA and interLATA service from the interexchange carriers of their choice. Customers may choose the Company as their carrier for IntraLATA calls and interLATA calls.

### **15. Feature Group Service**

The Company shall provide IXC Customers with End User Feature Group D ("EU-FGD") Switched Access Service for calls originating from or terminating to the Company's End User Subscribers in the markets in which Company offers such Service and IXC Customer orders such Service. Such service is available only to IXCs that have been certificated by the Illinois Commerce Commission to provide intraLATA and/or interLATA telecommunications services in Illinois. The Company offers such service where facilities and operating conditions permit and may provide such service over its own facilities or the facilities of other Carriers. EU-FGD Service provides for the capability of originating and terminating intrastate/interLATA and intrastate/intraLATA calls between a Company-served End User's premises and the IXC Customer's premises (POP) via Company's facilities or other Carrier's facilities.

**EXHIBIT 7**

**CHART OF ACCOUNTS**

# Urban Media Communications Corporation

## Account Listing

Account	Type	Accnt. #
1000 · 1000 Cash	Bank	1000
1000 · 1000 Cash:1005 · Cash Operating - Comerica	Bank	1005
1000 · 1000 Cash:1010 · Money Market - Comerica	Bank	1010
1000 · 1000 Cash:1090 · Petty Cash	Bank	1090
1200 · Accounts Receivable	Accounts Receivable	1200
1200 · Accounts Receivable:1205 · Accounts Receivable-Trade	Accounts Receivable	1205
1200 · Accounts Receivable:1210 · Accounts Receivable-Accrued	Accounts Receivable	1210
1120 · Inventory Asset	Other Current Asset	1120
1300 · Other Current Assets	Other Current Asset	1300
1300 · Other Current Assets:1305 · Employee Advances	Other Current Asset	1305
1300 · Other Current Assets:1350 · Currents Assets-Other	Other Current Asset	1350
1400 · Prepaid Expenses	Other Current Asset	1400
1400 · Prepaid Expenses:1405 · Prepaid Insurance	Other Current Asset	1405
1400 · Prepaid Expenses:1410 · Prepaid Rent	Other Current Asset	1410
Cap Equip for Bldgs	Fixed Asset	
Cap Equip for Bldgs:SF111SUT	Fixed Asset	
1600 · Property, Plant & Equipment	Fixed Asset	1600
1600 · Property, Plant & Equipment:1605 · Computer Equipment	Fixed Asset	1605
1600 · Property, Plant & Equipment:1610 · Software	Fixed Asset	1610
1600 · Property, Plant & Equipment:1615 · Furniture & Fixtures	Fixed Asset	1615
1600 · Property, Plant & Equipment:1620 · Leasehold Improvements	Fixed Asset	1620
1650 · Accumulted Depreciation	Fixed Asset	1650
1650 · Accumulted Depreciation:1655 · Acc. Depr-Computer Equipment	Fixed Asset	1655
1650 · Accumulted Depreciation:1660 · Acc. Depr.-Software	Fixed Asset	1660
1650 · Accumulted Depreciation:1665 · Acc. Depr.-Furniture & Fixtures	Fixed Asset	1665
1650 · Accumulted Depreciation:1670 · Acc. Depr.- Leasehold Improv	Fixed Asset	1670
1700 · Accumulated Amortization	Fixed Asset	1700
1700 · Accumulated Amortization:1705 · Acc. Amortization	Fixed Asset	1705
1900 · Other Assets	Other Asset	1900
1900 · Other Assets:1905 · Deposits	Other Asset	1905
2000 · Accounts Payable	Accounts Payable	2000
2000 · Accounts Payable:2005 · Accounts Payable -Trade	Accounts Payable	2005
2000 · Accounts Payable:2010 · Accounts Payable- Accrued	Accounts Payable	2010
2100 · Accrued Liabilities	Other Current Liability	2100
2100 · Accrued Liabilities:2105 · Accrued Payroll	Other Current Liability	2105
2100 · Accrued Liabilities:2110 · Accrued Bonus	Other Current Liability	2110
2100 · Accrued Liabilities:2115 · Accrued Commision	Other Current Liability	2115
2100 · Accrued Liabilities:2120 · Accrued Vacation	Other Current Liability	2120
2100 · Accrued Liabilities:2125 · Payroll Clearing	Other Current Liability	2125
2100 · Accrued Liabilities:2130 · Accrued 401(K) Payable	Other Current Liability	2130
2100 · Accrued Liabilities:2135 · Accrued Audit & Tax	Other Current Liability	2135
2100 · Accrued Liabilities:2140 · Accrued Sales/Use Tax	Other Current Liability	2140
2100 · Accrued Liabilities:2145 · Due To (From) - SCP	Other Current Liability	2145
2100 · Accrued Liabilities:2150 · Suspense	Other Current Liability	2150
2200 · Notes Payable	Other Current Liability	2200
2200 · Notes Payable:2205 · Notes Payable - Shoreline	Other Current Liability	2205
2300 · Deferred Revenue	Other Current Liability	2300
2400 · Long Term Liability	Other Current Liability	2400
3000 · Shareholders Equity	Equity	3000
3000 · Shareholders Equity:3005 · Common Stock	Equity	3005
3000 · Shareholders Equity:3010 · Preferred Stock- Series A	Equity	3010

# Urban Media Communications Corporation

## Account Listing

Account	Type	Accnt. #
3000 · Shareholders Equity:3011 · Issuance Costs - Series A	Equity	3011
3000 · Shareholders Equity:3020 · Preferred Stock - Series B	Equity	3020
3000 · Shareholders Equity:3021 · Issuance Costs - Series B	Equity	3021
3000 · Shareholders Equity:3030 · Preferred Stock - Series D	Equity	3030
3000 · Shareholders Equity:3031 · Issuance Costs - Series D	Equity	3031
3000 · Shareholders Equity:3900 · Opening Balance Equity	Equity	3900
3001 · Opening Bal Equity	Equity	3001
3901 · Retained Earnings	Equity	3901
3902 · *Retained Earnings	Equity	3902
4000 · Revenue	Income	4000
4000 · Revenue:4005 · Revenue	Income	4005
5000 · Cost of Goods Sold	Cost of Goods Sold	5000
5000 · Cost of Goods Sold:5005 · Leased Lines	Cost of Goods Sold	5005
Expenses for Bldgs	Expense	
Expenses for Bldgs:SF111SUT	Expense	
6000 · Salaries, Wages & Benefits	Expense	6000
6000 · Salaries, Wages & Benefits:6005 · Salaries and Wages	Expense	6005
6000 · Salaries, Wages & Benefits:6010 · Bonus	Expense	6010
6000 · Salaries, Wages & Benefits:6015 · Commissions	Expense	6015
6000 · Salaries, Wages & Benefits:6020 · Temp Services	Expense	6020
6000 · Salaries, Wages & Benefits:6025 · Relocation	Expense	6025
6050 · Employee Benefits & Taxes	Expense	6050
6050 · Employee Benefits & Taxes:6055 · Medical & Dental Expense	Expense	6055
6050 · Employee Benefits & Taxes:6056 · Payroll Taxes	Expense	6056
6050 · Employee Benefits & Taxes:6057 · Workers Compensation Insurance	Expense	6057
6050 · Employee Benefits & Taxes:6058 · Vacation Expense	Expense	6058
6050 · Employee Benefits & Taxes:6059 · Administrative Fees	Expense	6059
6050 · Employee Benefits & Taxes:6090 · Employee Benefits Alloc-Out	Expense	6090
6050 · Employee Benefits & Taxes:6091 · Employee Benefits Alloc-In	Expense	6091
6100 · Travel & Entertainment	Expense	6100
6100 · Travel & Entertainment:6105 · Travel	Expense	6105
6100 · Travel & Entertainment:6110 · Meals & Entertainment	Expense	6110
6100 · Travel & Entertainment:6115 · Employee/Company Meetings	Expense	6115
6100 · Travel & Entertainment:6120 · Auto	Expense	6120
6200 · Office & Related Expense	Expense	6200
6200 · Office & Related Expense:6205 · Office Supplies	Expense	6205
6200 · Office & Related Expense:6206 · Printing & Copying	Expense	6206
6200 · Office & Related Expense:6210 · Postage & Delivery	Expense	6210
6200 · Office & Related Expense:6215 · Expensed Equipment	Expense	6215
6200 · Office & Related Expense:6220 · Expensed Software	Expense	6220
6200 · Office & Related Expense:6225 · Expensed Furniture	Expense	6225
6200 · Office & Related Expense:6230 · Equipment/Furniture Rental	Expense	6230
6200 · Office & Related Expense:6235 · Equipment Main. & Repair	Expense	6235
6300 · Consulting/Professional Service	Expense	6300
6300 · Consulting/Professional Service:6305 · Outside Consultant Services	Expense	6305
6300 · Consulting/Professional Service:6310 · Legal	Expense	6310
6300 · Consulting/Professional Service:6315 · Audit & Tax	Expense	6315
6300 · Consulting/Professional Service:6320 · Recruiting	Expense	6320
6300 · Consulting/Professional Service:6350 · Other Professional Services	Expense	6350
6400 · Marketing Program Expenses	Expense	6400
6400 · Marketing Program Expenses:6405 · Public Relations	Expense	6405

# Urban Media Communications Corporation

## Account Listing

Account	Type	Accnt. #
6800 · Miscellaneous Expenses	Expense	6800
6800 · Miscellaneous Expenses:6805 · Dues & Subscriptions	Expense	6805
6800 · Miscellaneous Expenses:6810 · Conferences & Seminar	Expense	6810
6800 · Miscellaneous Expenses:6815 · Licenses & Fees	Expense	6815
6800 · Miscellaneous Expenses:6820 · Advertising	Expense	6820
6800 · Miscellaneous Expenses:6825 · Website Fees	Expense	6825
6800 · Miscellaneous Expenses:6895 · Miscellaneous	Expense	6895
6900 · Facility Costs	Expense	6900
6900 · Facility Costs:6905 · Rent	Expense	6905
6900 · Facility Costs:6910 · Utilities	Expense	6910
6900 · Facility Costs:6915 · Telephone/Communications	Expense	6915
6900 · Facility Costs:6920 · Janitorial	Expense	6920
6900 · Facility Costs:6925 · Insurance	Expense	6925
6900 · Facility Costs:6930 · Facility Maintenance/Repair	Expense	6930
6900 · Facility Costs:6935 · Depreciation	Expense	6935
6900 · Facility Costs:6940 · Amortization	Expense	6940
6990 · Facility Allocation	Expense	6990
6990 · Facility Allocation:6995 · Facility Allocation-Out	Expense	6995
6990 · Facility Allocation:6996 · Facility Allocation-In	Expense	6996
6999 · Uncategorized Expenses	Expense	6999
9000 · Other Income	Other Income	9000
9000 · Other Income:9005 · Interest Income	Other Income	9005
9000 · Other Income:9010 · Other Income	Other Income	9010
9100 · Other Expenses	Other Expense	9100
9100 · Other Expenses:9105 · Interest Expense	Other Expense	9105
9100 · Other Expenses:9110 · Other Expense	Other Expense	9110
9100 · Other Expenses:9110 · Other Expense:9115 · Taxes- Federal	Other Expense	9115
9100 · Other Expenses:9120 · Taxes-State	Other Expense	9120
2 · Purchase Orders	Non-Posting	2